

SECOND REGULAR SESSION

HOUSE BILL NO. 1891

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SMITH.

Read 1st time February 12, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

4132L.02I

AN ACT

To repeal sections 32.087, 66.620, 67.547, 67.582, 67.700, 94.510, 94.577, 94.857, and 94.890, RSMo, and to enact in lieu thereof nine new sections relating to local sales taxes.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 32.087, 66.620, 67.547, 67.582, 67.700, 94.510, 94.577, 94.857, and
2 94.890, RSMo, are repealed and nine new sections enacted in lieu thereof, to be known as
3 sections 32.087, 66.620, 67.547, 67.582, 67.700, 94.510, 94.577, 94.857, and 94.890, to read as
4 follows:

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue
4 by United States registered mail or certified mail a certified copy of the ordinance or order. The
5 ordinance or order shall reflect the effective date thereof.

6 2. Any local sales tax so adopted shall become effective on the first day of the second
7 calendar quarter after the director of revenue receives notice of adoption of the local sales tax,
8 except as provided in subsection [18] 19 of this section.

9 3. **If a taxing entity adopts a tax rate that is not authorized by statute, the tax shall**
10 **be effective at the closest authorized rate that does not exceed the rate approved by the**
11 **taxing entity.**

12 4. Every retailer within the jurisdiction of one or more taxing entities which has imposed
13 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along
14 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

15 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser
16 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase
17 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the
18 rates, multiplying the combined rate times the amount of the sale.

19 [4.] **5.** The brackets required to be established by the director of revenue [under the
20 provisions of] **pursuant to** section 144.285, RSMo, shall be based upon the sum of the
21 combined rate of the state sales tax and all local sales taxes imposed [under the provisions of]
22 **pursuant to** the local sales tax law.

23 [5.] **6.** The ordinance or order imposing a local sales tax [under] **pursuant to** the local
24 sales tax law shall impose upon all sellers a tax for the privilege of engaging in the business of
25 selling tangible personal property or rendering taxable services at retail to the extent and in the
26 manner provided in sections 144.010 to 144.525, RSMo, and the rules and regulations of the
27 director of revenue issued pursuant thereto; except that the rate of the tax shall be the sum of the
28 combined rate of the state sales tax or state highway use tax and all local sales taxes imposed
29 [under the provisions of] **pursuant to** the local sales tax law.

30 [6.] **7.** On and after the effective date of any local sales tax imposed [under the
31 provisions of] **pursuant to** the local sales tax law, the director of revenue shall perform all
32 functions incident to the administration, collection, enforcement, and operation of the tax, and
33 the director of revenue shall collect in addition to the sales tax for the state of Missouri all
34 additional local sales taxes authorized [under the authority of] **pursuant to** the local sales tax
35 law. All local sales taxes imposed [under] **pursuant to** the local sales tax law together with all
36 taxes imposed [under] **pursuant to** the sales tax law of the state of Missouri shall be collected
37 together and reported upon such forms and under such administrative rules and regulations as
38 may be prescribed by the director of revenue.

39 [7.] **8.** All applicable provisions contained in sections 144.010 to 144.525, RSMo,
40 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall
41 apply to the collection of any local sales tax imposed [under] **pursuant to** the local sales tax law
42 except as modified by the local sales tax law.

43 [8.] **9.** All exemptions granted to agencies of government, organizations, persons and to
44 the sale of certain articles and items of tangible personal property and taxable services [under the
45 provisions of] **pursuant to** sections 144.010 to 144.525, RSMo, as these sections now read and
46 as they may hereafter be amended, it being the intent of this general assembly to ensure that the
47 same sales tax exemptions granted from the state sales tax law also be granted [under] **pursuant**
48 **to** the local sales tax law, are hereby made applicable to the imposition and collection of all local
49 sales taxes imposed [under] **pursuant to** the local sales tax law.

50 [9.] **10.** The same sales tax permit, exemption certificate and retail certificate required

51 by sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales
52 tax shall satisfy the requirements of the local sales tax law, and no additional permit or
53 exemption certificate or retail certificate shall be required; except that the director of revenue
54 may prescribe a form of exemption certificate for an exemption from any local sales tax imposed
55 by the local sales tax law.

56 [10.] **11.** All discounts allowed the retailer [under the provisions of] **pursuant to** the
57 state sales tax law for the collection of and for payment of taxes [under the provisions of]
58 **pursuant to** the state sales tax law are hereby allowed and made applicable to any local sales tax
59 collected [under] **pursuant to** the provisions of the local sales tax law.

60 [11.] **12.** The penalties provided in section 32.057 and sections 144.010 to 144.525,
61 RSMo, for a violation of the provisions of those sections are hereby made applicable to
62 violations of the provisions of the local sales tax law.

63 [12.] **13.** (1) For the purposes of any local sales tax imposed by an ordinance or order
64 [under] **pursuant to** the local sales tax law, all sales, except the sale of motor vehicles, trailers,
65 boats, and outboard motors, shall be deemed to be consummated at the place of business of the
66 retailer unless the tangible personal property sold is delivered by the retailer or [his] **the**
67 **retailer's** agent to an out-of-state destination. In the event a retailer has more than one place of
68 business in this state which participates in the sale, the sale shall be deemed to be consummated
69 at the place of business of the retailer where the initial order for the tangible personal property
70 is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit,
71 shipment or billing. A sale by a retailer's agent or employee shall be deemed to be consummated
72 at the place of business from which [he] **the agent or employee** works.

73 (2) For the purposes of any local sales tax imposed by an ordinance or order [under]
74 **pursuant to** the local sales tax law, all sales of motor vehicles, trailers, boats, and outboard
75 motors shall be deemed to be consummated at the residence of the purchaser and not at the place
76 of business of the retailer, or the place of business from which the retailer's agent or employee
77 works.

78 [13.] **14.** Local sales taxes imposed pursuant to the local sales tax law on the purchase
79 and sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and
80 remitted by the seller, but shall be collected by the director of revenue at the time application is
81 made for a certificate of title, if the address of the applicant is within a taxing entity imposing
82 a local sales tax [under] **pursuant to** the local sales tax law.

83 [14.] **15.** The director of revenue and any [of his] deputies, assistants and employees who
84 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,
85 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the
86 director of revenue [under the provisions of] **pursuant to** the local sales tax law shall enter a

87 surety bond or bonds payable to any and all taxing entities in whose behalf such funds have been
88 collected under the local sales tax law in the amount of one hundred thousand dollars for each
89 such tax; but the director of revenue may enter into a blanket bond covering [himself] **the**
90 **director** and all such deputies, assistants and employees. The cost of any premium for such
91 bonds shall be paid by the director of revenue from the share of the collections under the sales
92 tax law retained by the director of revenue for the benefit of the state.

93 [15.] **16.** The director of revenue shall annually report on [his] **the** management of each
94 trust fund which is created [under] **pursuant to** the local sales tax law and administration of each
95 local sales tax imposed [under] **pursuant to** the local sales tax law. [He] **The director** shall
96 provide each taxing entity imposing one or more local sales taxes authorized by the local sales
97 tax law with a detailed accounting of the source of all funds received [by him] for the taxing
98 entity. Notwithstanding any other provisions of law, the state auditor shall annually audit each
99 trust fund. A copy of the director's report and annual audit shall be forwarded to each taxing
100 entity imposing one or more local sales taxes.

101 [16.] **17.** Within the boundaries of any taxing entity where one or more local sales taxes
102 have been imposed, if any person is delinquent in the payment of the amount required to be paid
103 [by him under] **pursuant to** the local sales tax law or in the event a determination has been made
104 against [him] **the person** for taxes and penalty [under] **pursuant to** the local sales tax law, the
105 limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same
106 as that provided in sections 144.010 to 144.525, RSMo. Where the director of revenue has
107 determined that suit must be filed against any person for the collection of delinquent taxes due
108 the state [under] **pursuant to** the state sales tax law, and where such person is also delinquent
109 in payment of taxes [under] **pursuant to** the local sales tax law, the director of revenue shall
110 notify the taxing entity to which delinquent taxes are due [under] **pursuant to** the local sales tax
111 law by United States registered mail or certified mail at least ten days before turning the case
112 over to the attorney general. The taxing entity, acting through its attorney, may join in such suit
113 as a party plaintiff to seek a judgment for the delinquent taxes and penalty due such taxing entity.
114 In the event any person fails or refuses to pay the amount of any local sales tax due, the director
115 of revenue shall promptly notify the taxing entity to which the tax would be due so that
116 appropriate action may be taken by the taxing entity.

117 [17.] **18.** Where property is seized by the director of revenue [under the provisions of]
118 **pursuant to** any law authorizing seizure of the property of a taxpayer who is delinquent in
119 payment of the tax imposed by the state sales tax law, and where such taxpayer is also delinquent
120 in payment of any tax imposed by the local sales tax law, the director of revenue shall permit the
121 taxing entity to join in any sale of property to pay the delinquent taxes and penalties due the state
122 and to the taxing entity [under] **pursuant to** the local sales tax law. The proceeds from such sale

123 shall first be applied to all sums due the state, and the remainder, if any, shall be applied to all
124 sums due such taxing entity.

125 [18.] **19.** If a local sales tax has been in effect for at least one year [under the provisions
126 of] **pursuant to** the local sales tax law and voters approve reimposition of the same local sales
127 tax at the same rate at an election as provided for in the local sales tax law prior to the date such
128 tax is due to expire, the tax so reimposed shall become effective the first day of the first calendar
129 quarter after the director receives a certified copy of the ordinance, order or resolution
130 accompanied by a map clearly showing the boundaries thereof and the results of such election,
131 provided that such ordinance, order or resolution and all necessary accompanying materials are
132 received by the director at least thirty days prior to the expiration of such tax. Any administrative
133 cost or expense incurred by the state as a result of the provisions of this subsection shall be paid
134 by the city or county reimposing such tax.

66.620. 1. All county sales taxes collected by the director of revenue under sections
2 66.600 to 66.630 on behalf of any county, less one percent for cost of collection which shall be
3 deposited in the state's general revenue fund after payment of premiums for surety bonds as
4 provided in section 32.087, RSMo, shall be deposited in a special trust fund, which is hereby
5 created, to be known as the "County Sales Tax Trust Fund". The moneys in the county sales tax
6 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of
7 the state. The director of revenue shall keep accurate records of the amount of money in the trust
8 fund which was collected in each county imposing a county sales tax, and the records shall be
9 open to the inspection of officers of the county and the public. Not later than the tenth day of
10 each month, the director of revenue shall distribute all moneys deposited in the trust fund during
11 the preceding month to the county which levied the tax; such funds shall be deposited with the
12 county treasurer of the county and all expenditures of funds arising from the county sales tax
13 trust fund shall be by an appropriation act to be enacted by the legislative council of the county,
14 and to the cities, towns and villages located wholly or partly within the county which levied the
15 tax in the manner as set forth in sections 66.600 to 66.630.

16 2. In any county not adopting an additional sales tax and alternate distribution system
17 as provided in section 67.581, RSMo, for the purposes of distributing the county sales tax, the
18 county shall be divided into two groups, "Group A" and "Group B". Group A shall consist of
19 all cities, towns and villages which are located wholly or partly within the county which levied
20 the tax and which had a city sales tax in effect under the provisions of sections 94.500 to 94.550,
21 RSMo, on the day prior to the adoption of the county sales tax ordinance, except that beginning
22 January 1, 1980, group A shall consist of all cities, towns and villages which are located wholly
23 or partly within the county which levied the tax and which had a city sales tax approved by the
24 voters of such city under the provisions of sections 94.500 to 94.550, RSMo, on the day prior to

25 the effective date of the county sales tax. For the purposes of determining the location of
26 consummation of sales for distribution of funds to cities, towns and villages in group A, the
27 boundaries of any such city, town or village shall be the boundary of that city, town or village
28 as it existed on March 19, 1984. Group B shall consist of all cities, towns and villages which
29 are located wholly or partly within the county which levied the tax and which did not have a city
30 sales tax in effect under the provisions of sections 94.500 to 94.550, RSMo, on the day prior to
31 the adoption of the county sales tax ordinance, and shall also include all unincorporated areas
32 of the county which levied the tax; except that, beginning January 1, 1980, group B shall consist
33 of all cities, towns and villages which are located wholly or partly within the county which levied
34 the tax and which did not have a city sales tax approved by the voters of such city under the
35 provisions of sections 94.500 to 94.550, RSMo, on the day prior to the effective date of the
36 county sales tax and shall also include all unincorporated areas of the county which levied the
37 tax.

38 3. Until January 1, 1994, the director of revenue shall distribute to the cities, towns and
39 villages in group A the taxes based on the location in which the sales were deemed consummated
40 under section 66.630 and subsection [12] **13** of section 32.087, RSMo. Except for distribution
41 governed by section 66.630, after deducting the distribution to the cities, towns and villages in
42 group A, the director of revenue shall distribute the remaining funds in the county sales tax trust
43 fund to the cities, towns and villages and the county in group B as follows: To the county which
44 levied the tax, a percentage of the distributable revenue equal to the percentage ratio that the
45 population of the unincorporated areas of the county bears to the total population of group B; and
46 to each city, town or village in group B located wholly within the taxing county, a percentage of
47 the distributable revenue equal to the percentage ratio that the population of such city, town or
48 village bears to the total population of group B; and to each city, town or village located partly
49 within the taxing county, a percentage of the distributable revenue equal to the percentage ratio
50 that the population of that part of the city, town or village located within the taxing county bears
51 to the total population of group B.

52 4. From and after January 1, 1994, the director of revenue shall distribute to the cities,
53 towns and villages in group A a portion of the taxes based on the location in which the sales were
54 deemed consummated under section 66.630 and subsection [12] **13** of section 32.087, RSMo,
55 in accordance with the formula described in this subsection. After deducting the distribution to
56 the cities, towns and villages in group A, the director of revenue shall distribute funds in the
57 county sales tax trust fund to the cities, towns and villages and the county in group B as follows:
58 To the county which levied the tax, ten percent multiplied by the percentage of the population
59 of unincorporated county which has been annexed or incorporated since April 1, 1993, multiplied
60 by the total of all sales tax revenues countywide, and a percentage of the remaining distributable

61 revenue equal to the percentage ratio that the population of unincorporated areas of the county
62 bears to the total population of group B; and to each city, town or village in group B located
63 wholly within the taxing county, a percentage of the remaining distributable revenue equal to the
64 percentage ratio that the population of such city, town or village bears to the total population of
65 group B; and to each city, town or village located partly within the taxing county, a percentage
66 of the remaining distributable revenue equal to the percentage ratio that the population of that
67 part of the city, town or village located within the taxing county bears to the total population of
68 group B.

69 5. (1) For purposes of administering the distribution formula of subsection 4 of this
70 section, the revenues arising each year from sales occurring within each group A city, town or
71 village shall be distributed as follows: Until such revenues reach the adjusted county average,
72 as hereinafter defined, there shall be distributed to the city, town or village all of such revenues
73 reduced by the percentage which is equal to ten percent multiplied by the percentage of the
74 population of unincorporated county which has been annexed or incorporated after April 1, 1993;
75 and once revenues exceed the adjusted county average, total revenues shall be shared in
76 accordance with the redistribution formula as defined in this subsection.

77 (2) For purposes of this subsection, the "adjusted county average" is the per capita
78 countywide average of all sales tax distributions during the prior calendar year reduced by the
79 percentage which is equal to ten percent multiplied by the percentage of the population of
80 unincorporated county which has been annexed or incorporated after April 1, 1993; the
81 "redistribution formula" is as follows: During 1994, each group A city, town and village shall
82 receive that portion of the revenues arising from sales occurring within the municipality that
83 remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising
84 from sales within the municipality multiplied by the percentage which is the sum of ten percent
85 multiplied by the percentage of the population of unincorporated county which has been annexed
86 or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product
87 of 8.5 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
88 cumulative per capita sales taxes arising from sales within the municipality less the adjusted
89 county average. During 1995, each group A city, town and village shall receive that portion of
90 the revenues arising from sales occurring within the municipality that remains after deducting
91 therefrom an amount equal to the cumulative sales tax revenues arising from sales within the
92 municipality multiplied by the percentage which is the sum of ten percent multiplied by the
93 percentage of the population of unincorporated county which has been annexed or incorporated
94 after April 1, 1993, and the percentage, if greater than zero, equal to the product of seventeen
95 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
96 cumulative per capita sales taxes arising from sales within the municipality less the adjusted

107 county average. From January 1, 1996, until January 1, 2000, each group A city, town and
108 village shall receive that portion of the revenues arising from sales occurring within the
109 municipality that remains after deducting therefrom an amount equal to the cumulative sales tax
110 revenues arising from sales within the municipality multiplied by the percentage which is the
101 sum of ten percent multiplied by the percentage of the population of unincorporated county
102 which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than
103 zero, equal to the product of 25.5 multiplied by the logarithm (to base 10) of the product of 0.035
104 multiplied by the total of cumulative per capita sales taxes arising from sales within the
105 municipality less the adjusted county average. From and after January 1, 2000, the distribution
106 formula covering the period from January 1, 1996, until January 1, 2000, shall continue to apply,
107 except that the percentage computed for sales arising within the municipalities shall be not less
108 than 7.5 percent for municipalities within which sales tax revenues exceed the adjusted county
109 average, nor less than 12.5 percent for municipalities within which sales tax revenues exceed the
110 adjusted county average by at least twenty-five percent.

111 (3) For purposes of applying the redistribution formula to a municipality which is partly
112 within the county levying the tax, the distribution shall be calculated alternately for the
113 municipality as a whole, except that the factor for annexed portion of the county shall not be
114 applied to the portion of the municipality which is not within the county levying the tax, and for
115 the portion of the municipality within the county levying the tax. Whichever calculation results
116 in the larger distribution to the municipality shall be used.

117 (4) Notwithstanding any other provision of this section, the fifty percent of additional
118 sales taxes as described in section 99.845, RSMo, arising from economic activities within the
119 area of a redevelopment project established after July 12, 1990, pursuant to sections 99.800 to
120 99.865, RSMo, while tax increment financing remains in effect shall be deducted from all
121 calculations of countywide sales taxes, shall be distributed directly to the municipality involved,
122 and shall be disregarded in calculating the amounts distributed or distributable to the
123 municipality. Further, any agreement, contract or covenant entered into prior to July 12, 1990,
124 between a municipality and any other political subdivision which provides for an appropriation
125 of incremental sales tax revenues to the special allocation fund of a tax increment financing
126 project while tax increment financing remains in effect shall continue to be in full force and
127 effect and the sales taxes so appropriated shall be deducted from all calculations of countywide
128 sales taxes, shall be distributed directly to the municipality involved, and shall be disregarded
129 in calculating the amounts distributed or distributable to the municipality. In addition, and
130 notwithstanding any other provision of this chapter to the contrary, economic development funds
131 shall be distributed in full to the municipality in which the sales producing them were deemed
132 consummated. Additionally, economic development funds shall be deducted from all

calculations of countywide sales taxes and shall be disregarded in calculating the amounts distributed or distributable to the municipality. As used in this subdivision, the term "economic development funds" means the amount of sales tax revenue generated in any fiscal year by projects authorized pursuant to chapter 99, RSMo, or chapter 100, RSMo, in connection with which such sales tax revenue was pledged as security for, or was guaranteed by a developer to be sufficient to pay, outstanding obligations under any agreement authorized by chapter 100, RSMo, entered into or adopted prior to September 1, 1993, between a municipality and another public body. The cumulative amount of economic development funds allowed under this provision shall not exceed the total amount necessary to amortize the obligations involved.

6. If the qualified voters of any city, town or village vote to change or alter its boundaries by annexing any unincorporated territory included in group B or if the qualified voters of one or more city, town or village in group A and the qualified voters of one or more city, town or village in group B vote to consolidate, the area annexed or the area consolidated which had been a part of group B shall remain a part of group B after annexation or consolidation. After the effective date of the annexation or consolidation, the annexing or consolidated city, town or village shall receive a percentage of the group B distributable revenue equal to the percentage ratio that the population of the annexed or consolidated area bears to the total population of group B and such annexed area shall not be classified as unincorporated area for determination of the percentage allocable to the county. If the qualified voters of any two or more cities, towns or villages in group A each vote to consolidate such cities, towns or villages, then such consolidated cities, towns or villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630, population shall be as determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purpose of calculating the adjustment based on the percentage of unincorporated county population which is annexed after April 1, 1993, the accumulated percentage immediately before each census shall be used as the new percentage base after such census. After any annexation, incorporation or other municipal boundary change affecting the unincorporated area of the county, the chief elected official of the county shall certify the new population of the unincorporated area of the county and the percentage of the population which has been annexed or incorporated since April 1, 1993, to the director of revenue. After the adoption of the county sales tax ordinance, any city, town or village in group A may by adoption of an ordinance by its governing body cease to be a part of group A and become a part of group B. Within ten days after the adoption of the ordinance transferring the city, town or village from one group to the other, the clerk of the transferring city, town or village shall forward to the director of revenue, by registered mail, a certified copy of the ordinance. Distribution to such city as a part of its former group shall cease and as a part of its new group shall begin on the first day of January of

the year following notification to the director of revenue, provided such notification is received by the director of revenue on or before the first day of July of the year in which the transferring ordinance is adopted. If such notification is received by the director of revenue after the first day of July of the year in which the transferring ordinance is adopted, then distribution to such city as a part of its former group shall cease and as a part of its new group shall begin the first day of July of the year following such notification to the director of revenue. Once a group A city, town or village becomes a part of group B, such city may not transfer back to group A.

7. If any city, town or village shall hereafter change or alter its boundaries, the city clerk of the municipality shall forward to the director of revenue, by registered mail, a certified copy of the ordinance adding or detaching territory from the municipality. The ordinance shall reflect the effective date thereof, and shall be accompanied by a map of the municipality clearly showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 66.600 to 66.630 shall be redistributed and allocated in accordance with the provisions of this section on the effective date of the change of the municipal boundary so that the proper percentage of group B distributable revenue is allocated to the municipality in proportion to any annexed territory. If any area of the unincorporated county elects to incorporate subsequent to the effective date of the county sales tax as set forth in sections 66.600 to 66.630, the newly incorporated municipality shall remain a part of group B. The city clerk of such newly incorporated municipality shall forward to the director of revenue, by registered mail, a certified copy of the incorporation election returns and a map of the municipality clearly showing the boundaries thereof. The certified copy of the incorporation election returns shall reflect the effective date of the incorporation. Upon receipt of the incorporation election returns and map, the tax imposed by sections 66.600 to 66.630 shall be distributed and allocated in accordance with the provisions of this section on the effective date of the incorporation.

8. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed

205 from receipts due the county.

206 9. Except as modified in sections 66.600 to 66.630, all provisions of sections 32.085 and
207 32.087, RSMo, shall apply to the tax imposed under sections 66.600 to 66.630.

67.547. 1. In addition to the tax authorized by section 67.505, any county may, by a
2 majority vote of its governing body, impose an additional county sales tax on all sales which are
3 subject to taxation [under the provisions of] **pursuant to** sections 144.010 to 144.525, RSMo.
4 The tax authorized by this section shall be in addition to any and all other sales tax allowed by
5 law; except that no ordinance or order imposing a sales tax [under the provisions of] **pursuant**
6 **to** this section shall be effective unless the governing body of the county submits to the voters
7 of the county, at a county or state general, primary or special election, a proposal to authorize the
8 governing body of the county to impose such tax.

9 2. The ballot of submission shall contain, but need not be limited to the following
10 language:

11 Shall the county of (county's name) impose a countywide sales tax of
12 (insert rate) percent?

13 G Yes G No

14

15 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
16 to the question, place an "X" in the box opposite "No".

17

18 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
19 of the proposal, then the ordinance or order and any amendments thereto shall be in effect. If a
20 majority of the votes cast by the qualified voters voting are opposed to the proposal, then the
21 governing body of the county shall have no power to impose the sales tax as herein authorized
22 unless and until the governing body of the county submits another proposal to authorize the
23 governing body of the county to impose the sales tax [under the provisions of] **pursuant to** this
24 section and such proposal is approved by a majority of the qualified voters voting thereon.

25 3. The sales tax may be imposed at a rate of one-eighth of one percent, one-fourth of one
26 percent, three-eighths of one percent, or one-half of one percent on the receipts from the sale at
27 retail of all tangible personal property or taxable services at retail within any county adopting
28 such tax, if such property and services are subject to taxation by the state of Missouri [under the
29 provisions of] **pursuant to** sections 144.010 to 144.525, RSMo; **however, the total amount of**
30 **all taxes imposed by a county pursuant to this section that are not in effect on August 28,**
31 **2002, shall not exceed one-half of one percent.**

32 4. Except as modified in this section, all provisions of sections 32.085 and 32.087,
33 RSMo, shall apply to the tax imposed [under] **pursuant** this section.

34 5. In any first class county having a charter form of government and having a population
35 of nine hundred thousand or more, the proceeds of the sales tax authorized by this section shall
36 be distributed so that an amount equal to three-eighths of the proceeds of the tax shall be
37 distributed to the county and the remaining five-eighths shall be distributed to the cities, towns
38 and villages and the unincorporated area of the county on the ratio that the population of each
39 bears to the total population of the county. The population of each city, town or village and the
40 unincorporated area of the county and the total population of the county shall be determined on
41 the basis of the most recent federal decennial census.

42 6. In any [first class] county [having] **of the first classification with** a charter form of
43 government and [having a population of nine hundred thousand or] **with more than one million**
44 **inhabitants**, no tax shall be imposed pursuant to this section for the purpose of funding in whole
45 or in part the construction, operation or maintenance of a sports stadium, field house, indoor or
46 outdoor recreational facility, center, playing field, parking facility or anything incidental or
47 necessary to a complex suitable for any type of professional sport or recreation, either upon,
48 above or below the ground.

49 7. The director of revenue may authorize the state treasurer to make refunds from the
50 amounts in the trust fund and credited to any county for erroneous payments and overpayments
51 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
52 If any county abolishes the tax, the county shall notify the director of revenue of the action at
53 least ninety days prior to the effective date of the repeal and the director of revenue may order
54 retention in the trust fund, for a period of one year, of two percent of the amount collected after
55 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
56 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
57 after the effective date of abolition of the tax in such county, the director of revenue shall remit
58 the balance in the account to the county and close the account of that county. The director of
59 revenue shall notify each county of each instance of any amount refunded or any check redeemed
60 from receipts due the county.

67.582. 1. The governing body of any county, except a county of the first [class]
2 **classification** with a charter form of government with a population of greater than four hundred
3 thousand inhabitants, is hereby authorized to impose, by ordinance or order, a sales tax in the
4 amount of up to one-half of one percent on all retail sales made in such county which are subject
5 to taxation [under the provisions of] **pursuant to** sections 144.010 to 144.525, RSMo, for the
6 purpose of providing law enforcement services for such county. The tax authorized by this
7 section shall be in addition to any and all other sales taxes allowed by law, except that no
8 ordinance or order imposing a sales tax [under the provisions of] **pursuant to** this section shall
9 be effective unless the governing body of the county submits to the voters of the county, at a

10 county or state general, primary or special election, a proposal to authorize the governing body
11 of the county to impose a tax. **The total amount of all taxes imposed by a county pursuant**
12 **to this section that are not in effect on August 28, 2002, shall not exceed one-half of one**
13 **percent.**

14 2. The ballot of submission shall contain, but need not be limited to, the following
15 language:

16 (1) If the proposal submitted involves only authorization to impose the tax authorized
17 by this section the ballot shall contain substantially the following:

18 Shall the county of (county's name) impose a countywide sales tax of
19 (insert amount) for the purpose of providing law enforcement services for the county?

20 G Yes G No

21

22 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
23 to the question, place an "X" in the box opposite "No"; or

24 (2) If the proposal submitted involves authorization to enter into agreements to form a
25 regional jail district and obligates the county to make payments from the tax authorized by this
26 section the ballot shall contain substantially the following:

27 Shall the county of (county's name) be authorized to enter into agreements for
28 the purpose of forming a regional jail district and obligating the county to impose a countywide
29 sales tax of (insert amount) to fund dollars of the costs to construct a regional
30 jail and to fund the costs to operate a regional jail, with any funds in excess of that necessary to
31 construct and operate such jail to be used for law enforcement purposes?

32 G Yes G No

33

34 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
35 to the question, place an "X" in the box opposite "No".

36

37 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
38 of the proposal submitted pursuant to subdivision (1) of this subsection, then the ordinance or
39 order and any amendments thereto shall be in effect on the first day of the second quarter
40 immediately following the election approving the proposal. If the constitutionally required
41 percentage of the voters voting thereon are in favor of the proposal submitted pursuant to
42 subdivision (2) of this subsection, then the ordinance or order and any amendments thereto shall
43 be in effect on the first day of the second quarter immediately following the election approving
44 the proposal. If a proposal receives less than the required majority, then the governing body of
45 the county shall have no power to impose the sales tax herein authorized unless and until the

46 governing body of the county shall again have submitted another proposal to authorize the
47 governing body of the county to impose the sales tax authorized by this section and such
48 proposal is approved by the required majority of the qualified voters voting thereon. However,
49 in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve
50 months from the date of the last proposal pursuant to this section.

51 3. All revenue received by a county from the tax authorized [under the provisions of]
52 **pursuant to** this section shall be deposited in a special trust fund and shall be used solely for
53 providing law enforcement services for such county for so long as the tax shall remain in effect.
54 Revenue placed in the special trust fund may also be utilized for capital improvement projects
55 for law enforcement facilities and for the payment of any interest and principal on bonds issued
56 for said capital improvement projects.

57 4. Once the tax authorized by this section is abolished or is terminated by any means, all
58 funds remaining in the special trust fund shall be used solely for providing law enforcement
59 services for the county. Any funds in such special trust fund which are not needed for current
60 expenditures may be invested by the governing body in accordance with applicable laws relating
61 to the investment of other county funds.

62 5. All sales taxes collected by the director of revenue [under] **pursuant to** this section
63 on behalf of any county, less one percent for cost of collection which shall be deposited in the
64 state's general revenue fund after payment of premiums for surety bonds as provided in section
65 32.087, RSMo, shall be deposited in a special trust fund, which is hereby created, to be known
66 as the "County Law Enforcement Sales Tax Trust Fund". The moneys in the county law
67 enforcement sales tax trust fund shall not be deemed to be state funds and shall not be
68 commingled with any funds of the state. The director of revenue shall keep accurate records of
69 the amount of money in the trust and which was collected in each county imposing a sales tax
70 [under] **pursuant to** this section, and the records shall be open to the inspection of officers of
71 the county and the public. Not later than the tenth day of each month the director of revenue
72 shall distribute all moneys deposited in the trust fund during the preceding month to the county
73 which levied the tax; such funds shall be deposited with the county treasurer of each such county,
74 and all expenditures of funds arising from the county law enforcement sales tax trust fund shall
75 be by an appropriation act to be enacted by the governing body of each such county.
76 Expenditures may be made from the fund for any law enforcement functions authorized in the
77 ordinance or order adopted by the governing body submitting the law enforcement tax to the
78 voters.

79 6. The director of revenue may authorize the state treasurer to make refunds from the
80 amounts in the trust fund and credited to any county for erroneous payments and overpayments
81 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.

82 If any county abolishes the tax, the county shall notify the director of revenue of the action at
83 least ninety days prior to the effective date of the repeal and the director of revenue may order
84 retention in the trust fund, for a period of one year, of two percent of the amount collected after
85 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
86 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
87 after the effective date of abolition of the tax in such county, the director of revenue shall remit
88 the balance in the account to the county and close the account of that county. The director of
89 revenue shall notify each county of each instance of any amount refunded or any check redeemed
90 from receipts due the county.

91 7. Except as modified in this section, all provisions of sections 32.085 and 32.087,
92 RSMo, shall apply to the tax imposed under this section.

67.700. 1. Any county, as defined in section 67.724, may, by ordinance or order, impose
2 a sales tax on all retail sales made in such county which are subject to taxation under the
3 provisions of sections 144.010 to 144.525, RSMo, for any capital improvement purpose
4 designated by the county in its ballot of submission to its voters; provided, however, that no
5 ordinance or order enacted pursuant to the authority granted by sections 67.700 to 67.727 shall
6 be effective unless the governing body of the county submits to the voters of the county, at a
7 county or state general, primary, or special election, a proposal to authorize the governing body
8 of the county to impose a tax under the provisions of sections 67.700 to 67.727. The tax
9 authorized by this section shall be in addition to any and all other sales taxes allowed by law.

10 2. The ballot of submission shall contain, but need not be limited to, the following
11 language:

12 Shall the county of (county's name) impose a countywide sales tax at the rate
13 of (insert amount) for a period of (insert number) years from the date on
14 which such tax is first imposed for the purpose of (insert capital
15 improvement purpose)?

16 G YES G NO

17

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
19 to the question, place an "X" in the box opposite "NO".

20

21 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
22 of the proposal, then the ordinance or order and any amendments thereto shall be in effect. If a
23 majority of the votes cast by the qualified voters voting are opposed to the proposal, then the
24 governing body of the county shall have no power to impose the sales tax authorized by sections
25 67.700 to 67.727 unless and until the governing body of the county shall again have submitted

26 another proposal to authorize it to impose the sales tax under the provisions of sections 67.700
27 to 67.727 and such proposal is approved by a majority of the qualified voters voting thereon.

28 3. All revenue received by a county from the tax authorized by sections 67.700 to 67.727
29 which has been designated for a certain capital improvement purpose shall be deposited in a
30 special trust fund and shall be used solely for such designated purpose. Upon the expiration of
31 the period of years approved by the voters under subsection 2 of this section or if the tax
32 authorized by sections 67.700 to 67.727 is repealed under section 67.721, all funds remaining
33 in the special trust fund shall continue to be used solely for such designated capital improvement
34 purpose including the payment of principal and interest on any bonds issued to pay for such
35 capital improvement. Any funds in such special trust fund which are not needed for current
36 expenditures may be invested by the governing body in accordance with applicable laws relating
37 to the investment of other county funds.

38 4. The sales tax may be imposed at a rate of one-eighth of one percent, one-fourth of one
39 percent, three-eighths of one percent, or one-half of one percent on the receipts from the sale at
40 retail of all tangible personal property or taxable services at retail within the county adopting
41 such tax, if such property and services are subject to taxation by the state of Missouri under the
42 provisions of sections 144.010 to 144.525, RSMo, **however, the total amount of all taxes**
43 **imposed by a county pursuant to this section that are not in effect on August 28, 2002, shall**
44 **not exceed one-half of one percent.**

45 5. In addition to the rates provided in subsection 4 of this section, any [county of the first
46 class without a charter form of government which adjoins a county of the first class containing
47 part of a city containing more than three hundred fifty thousand inhabitants and which also
48 adjoins a county of the third class having a township form of government] **county of the first**
49 **classification without a charter form of government and with more than eighty-five**
50 **thousand nine hundred but less than eighty-six thousand inhabitants** shall also be authorized
51 to (1) levy such sales tax at a rate of one-eighth of one percent; or (2) levy such sales tax at a rate
52 of one-fourth of one percent in conjunction with a reduction in its property tax levy or levies for
53 general revenues or for funding the maintenance of roads and bridges, or both, for each year in
54 which the sales tax is imposed. Such reduction shall be in an amount sufficient to decrease the
55 property taxes it will collect by not less than fifty percent of the sales tax revenue collected in
56 the tax year for which the property taxes are being levied. If in the immediately preceding year
57 a county actually collected less sales tax revenue than was projected for purposes of reducing its
58 property tax levy or levies, the county shall adjust its property tax levy or levies for the current
59 year to reflect such decrease.

60

61 Any such county seeking voter approval of the sales tax alternative authorized in this subsection

62 shall include in the ballot of submission authorized in subsection 2 of this section language
63 clearly stating the appropriate percentage of the sales tax revenue shall be used for property tax
64 reduction as provided herein. For purposes of this subsection, the term "sales tax revenue
65 collected" shall have the meaning provided in section 67.500.

94.510. 1. Any city may, by a majority vote of its council or governing body, impose
2 a city sales tax for the benefit of such city in accordance with [the provisions of] sections 94.500
3 to 94.550; provided, however, that no ordinance enacted pursuant to the authority granted by [the
4 provisions of] sections 94.500 to 94.550 shall be effective unless the legislative body of the city
5 submits to the voters of the city, at a public election, a proposal to authorize the legislative body
6 of the city to impose a tax under [the provisions of] sections 94.500 to 94.550.

7 The ballot of submission shall be in substantially the following form:

8 Shall the city of (insert name of city) impose a city sales tax of
9 (insert rate of percent) percent?

10 G YES

G NO

11

12 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
13 of the proposal, then the ordinance and any amendments thereto shall be in effect. If a majority
14 of the votes cast by the qualified voters voting are opposed to the proposal, then the legislative
15 body of the city shall have no power to impose the tax herein authorized unless and until the
16 legislative body of the city shall again have submitted another proposal to authorize the
17 legislative body of the city to impose the tax [under the provisions of] **pursuant to** sections
18 94.500 to 94.550, and such proposal is approved by a majority of the qualified voters voting
19 thereon.

20 2. The sales tax may be imposed at a rate of one-half of one percent, seven-eighths of
21 one percent or one percent on the receipts from the sale at retail of all tangible personal property
22 or taxable services at retail within any city adopting such tax, if such property and services are
23 subject to taxation by the state of Missouri [under the provisions of] **pursuant to** sections
24 144.010 to 144.525, RSMo; except that, each city [not within a county] may impose such tax at
25 a rate not to exceed **a total of** one and three-eighths percent.

26 3. If any city in which a city tax has been imposed in the manner provided for in sections
27 94.500 to 94.550 shall thereafter change or alter its boundaries, the city clerk of the city shall
28 forward to the director of revenue by United States registered mail or certified mail a certified
29 copy of the ordinance adding or detaching territory from the city. The ordinance shall reflect the
30 effective date thereof, and shall be accompanied by a map of the city clearly showing the territory
31 added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed
32 by the act shall be effective in the added territory or abolished in the detached territory on the

33 effective date of the change of the city boundary.

94.577. 1. The governing body of any municipality except those located in whole or in
2 part within any [first class county having a charter form of government and not containing any
3 part of a city with a population of four hundred thousand or more and adjacent to a city not
4 within a county] **county of the first classification with a charter form of government and**
5 **with more than one million inhabitants**, for that part of the municipality located within such
6 [first class] county **of the first classification**, is hereby authorized to impose, by ordinance or
7 order, a one-eighth, one-fourth, three-eighths, or one-half of one percent sales tax on all retail
8 sales made in such municipality which are subject to taxation under the provisions of sections
9 144.010 to 144.525, RSMo, for the purpose of funding capital improvements, including the
10 operation and maintenance of capital improvements, which may be funded by issuing bonds
11 which will be retired by the revenues received from the sales tax authorized by this section or
12 the retirement of debt under previously authorized bonded indebtedness. A municipality located
13 in a charter county may impose a sales tax on all retail sales for capital improvements as
14 provided in section 94.890. **The total amount of all taxes imposed by a municipality**
15 **pursuant to this section that are not in effect on August 28, 2002, shall not exceed one-half**
16 **of one percent.** The tax authorized by this section shall be in addition to any and all other sales
17 taxes allowed by law; but no ordinance imposing a sales tax under the provisions of this section
18 shall be effective unless the governing body of the municipality submits to the voters of the
19 municipality, at a municipal or state general, primary or special election, a proposal to authorize
20 the governing body of the municipality to impose such tax and, if such tax is to be used to retire
21 bonds authorized under this section, to authorize such bonds and their retirement by such tax,
22 or to authorize the retirement of debt under previously authorized bonded indebtedness.

23 2. The ballot of submission shall contain, but need not be limited to:

24 (1) If the proposal submitted involves only authorization to impose the tax authorized
25 by this section, the following language:

26 Shall the municipality of (municipality's name) impose a sales tax of (insert
27 amount) for the purpose of funding capital improvements which may include the retirement of
28 debt under previously authorized bonded indebtedness?

29 G YES G NO

30

31 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
32 to the question, place an "X" in the box opposite "No"; or

33 (2) If the proposal submitted involves authorization to issue bonds and repay such bonds
34 with revenues from the tax authorized by this section, the following language:

35 Shall the municipality of (municipality's name) issue bonds in the amount

36 of (insert amount) to fund capital improvements and impose a sales tax of (insert
37 amount) to repay bonds?

38 G YES G NO

39

40 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
41 to the question, place an "X" in box opposite "No". If a majority of the votes cast on the proposal
42 by the qualified voters voting thereon are in favor of the proposal, including when the proposal
43 authorizes the reduction of debt under previously authorized bonded indebtedness under
44 subdivision (1) of this subsection, then the ordinance or order and any amendments thereto shall
45 be in effect, except that any proposal submitted under subdivision (2) of this subsection to issue
46 bonds and impose a sales tax to retire such bonds must be approved by the constitutionally
47 required percentage of the voters voting thereon to become effective. If a majority of the votes
48 cast by the qualified voters voting are opposed to the proposal, then the governing body of the
49 municipality shall have no power to issue any bonds or impose the sales tax authorized in this
50 section unless and until the governing body of the municipality shall again have submitted
51 another proposal to authorize the governing body of the municipality to issue any bonds or
52 impose the sales tax authorized by this section, and such proposal is approved by the requisite
53 majority of the qualified voters voting thereon; however, in no event shall a proposal pursuant
54 to this section be submitted to the voters sooner than twelve months from the date of the last
55 proposal pursuant to this section, except that any [municipality with a population of greater than
56 four hundred thousand] **home rule city with more than four hundred thousand inhabitants**
57 and located within more than one county may submit a proposal pursuant to this section to the
58 voters sooner than twelve months from the date of the last proposal submitted pursuant to this
59 section if submitted to the voters on or before November 6, 2001.

60 3. All revenue received by a municipality from the tax authorized under the provisions
61 of this section shall be deposited in a special trust fund and shall be used solely for capital
62 improvements, including the operation and maintenance of capital improvements, for so long as
63 the tax shall remain in effect. Once the tax authorized by this section is abolished or is
64 terminated by any means, all funds remaining in the special trust fund required by this subsection
65 shall be used solely for the maintenance of the capital improvements made with revenues raised
66 by the tax authorized by this section. Any funds in the special trust fund required by this
67 subsection which are not needed for current expenditures may be invested by the governing body
68 in accordance with applicable laws relating to the investment of other municipal funds. The
69 provisions of this subsection shall apply only to taxes authorized by this section which have not
70 been imposed to retire bonds issued pursuant to this section.

71 4. All revenue received by a municipality which issues bonds under this section and

72 imposes the tax authorized by this section to retire such bonds shall be deposited in a special
73 trust fund and shall be used solely to retire such bonds, except to the extent that such funds are
74 required for the operation and maintenance of capital improvements. Once all of such bonds
75 have been retired, all funds remaining in the special trust fund required by this subsection shall
76 be used solely for the maintenance of the capital improvements made with the revenue received
77 as a result of the issuance of such bonds. Any funds in the special trust fund required by this
78 subsection which are not needed to meet current obligations under the bonds issued under this
79 section may be invested by the governing body in accordance with applicable laws relating to
80 the investment of other municipal funds. The provisions of this subsection shall apply only to
81 taxes authorized by this section which have been imposed to retire bonds issued under this
82 section.

83 5. After the effective date of any tax imposed under the provisions of this section, the
84 director of revenue shall perform all functions incident to the administration, collection,
85 enforcement, and operation of the tax in the same manner as provided in sections 94.500 to
86 [94.570] **94.550**, and the director of revenue shall collect in addition to the sales tax for the state
87 of Missouri the additional tax authorized under the authority of this section. The tax imposed
88 pursuant to this section and the tax imposed under the sales tax law of the state of Missouri shall
89 be collected together and reported upon such forms and under such administrative rules and
90 regulations as may be prescribed by the director of revenue. Except as modified in this section,
91 all provisions of sections 32.085 and 32.087, RSMo, shall apply to the tax imposed under this
92 section.

93 6. No tax imposed pursuant to this section for the purpose of retiring bonds issued under
94 this section may be terminated until all of such bonds have been retired.

95 7. In any city not within a county, no tax shall be imposed pursuant to this section for
96 the purpose of funding in whole or in part the construction, operation or maintenance of a sports
97 stadium, field house, indoor or outdoor recreational facility, center, playing field, parking facility
98 or anything incidental or necessary to a complex suitable for any type of professional sport or
99 recreation, either upon, above or below the ground.

100 8. The director of revenue may authorize the state treasurer to make refunds from the
101 amounts in the trust fund and credited to any municipality for erroneous payments and
102 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
103 such municipalities. If any municipality abolishes the tax, the municipality shall notify the
104 director of revenue of the action at least ninety days prior to the effective date of the repeal and
105 the director of revenue may order retention in the trust fund, for a period of one year, of two
106 percent of the amount collected after receipt of such notice to cover possible refunds or
107 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of

108 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
109 municipality, the director of revenue shall remit the balance in the account to the municipality
110 and close the account of that municipality. The director of revenue shall notify each municipality
111 of each instance of any amount refunded or any check redeemed from receipts due the
112 municipality.

94.857. 1. All sales taxes collected by the director of revenue under sections 94.850 to
2 94.857, less one percent for cost of collection which shall be deposited in the state's general
3 revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo,
4 shall be deposited in a special trust fund, which is hereby created, to be known as the "Special
5 Municipal Sales Tax Trust Fund". The moneys in the special municipal sales tax trust fund shall
6 not be deemed to be state funds and shall not be commingled with any funds of the state. The
7 director of revenue shall keep accurate records of the amount of money in the trust fund which
8 was collected in each municipality imposing the sales tax established in sections 94.850 to
9 94.857, and the records shall be open to the inspection of officers of the municipality and the
10 public.

11 2. The special municipal sales tax trust fund shall be distributed in conjunction with the
12 county sales tax levied under sections 66.600 to 66.630, RSMo, and may be combined by the
13 director of revenue in a single payment. The director of revenue shall distribute to the
14 municipality levying the tax a portion of the taxes based on the location in which the sales were
15 deemed consummated under subsection [12] **13** of section 32.087, RSMo, in accordance with
16 the formula described in this subsection. Except for distributions relating to recently annexed
17 areas described in subsection 4 of this section, after deducting the distribution to the
18 municipality, the director of revenue shall distribute the remaining funds in the special municipal
19 sales tax fund to the cities, towns and villages and the county in group B as defined in section
20 66.620, RSMo, as follows: To the county, ten percent multiplied by the percentage of the
21 population of unincorporated county which has been annexed or incorporated since April 1,
22 1993, multiplied by the total sales tax revenues, and a percentage of the remaining distributable
23 revenue equal to the percentage ratio that the population of the unincorporated areas of the
24 county bears to the total population of group B; and to each city, town or village in group B
25 located wholly within the taxing county, a percentage of the remaining distributable revenue
26 equal to the percentage ratio that the population of such city, town or village bears to the total
27 population of group B; and to each city, town or village located partly within the taxing county,
28 a percentage of the remaining distributable revenue equal to the percentage ratio that the
29 population of that part of the city, town or village located within the taxing county bears to the
30 total population of group B.

31 3. For purposes of administering the distribution formula of subsection 2 of this section,

32 the revenues arising each year from sales occurring within the municipality shall be shared as
33 follows: The municipality shall receive that portion of the revenues arising from sales occurring
34 within the municipality that remains after deducting therefrom an amount equal to the cumulative
35 sales tax revenues arising from sales within the municipality multiplied by the sum of ten percent
36 multiplied by the percentage of the population of unincorporated county which has been annexed
37 or incorporated after April 1, 1993, and the greater of 12.5 percent or the percentage equal to the
38 product of 11.627 multiplied by the logarithm (to base 10) of the product of 0.15 multiplied by
39 the total of the cumulative per capita sales taxes arising from sales within the municipality
40 pursuant to sections 94.850 to 94.857 less one-eighth, in the case of a one-eighth of one percent
41 sales tax, or one quarter, in the case of a one-fourth of one percent sales tax, of the per capita
42 countywide average of all sales tax distributions during the prior calendar year under section
43 66.620, RSMo, which average is reduced by the percentage which is equal to ten percent
44 multiplied by the percentage of the population of unincorporated county which has been annexed
45 or incorporated after April 1, 1993.

46 4. Sales taxes arising from sales within recently annexed areas pursuant to sections
47 94.850 to 94.857 shall be divided half to the municipality and half to the county until the fifth
48 anniversary of the effective date of the annexation, and shall thereafter be distributed as provided
49 in subsections 2 and 3 of this section. A "recently annexed area" is any area which was annexed
50 or incorporated from or in the unincorporated area of the county less than five years prior to the
51 effective date of the sales tax under sections 94.850 to 94.857.

52 5. Not later than the tenth day of each month, the director of revenue shall distribute all
53 moneys deposited in the special municipal sales tax trust fund during the preceding month as
54 provided in this section.

55 6. The director of revenue may authorize the state treasurer to make refunds from the
56 amounts in the trust fund and credited to any municipality for erroneous payments and
57 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
58 such municipalities. If any city, town or village abolishes the tax, the municipality shall notify
59 the director of revenue of the action at least ninety days prior to the effective date of the repeal
60 and the director of revenue may order retention in the trust fund, for a period of one year, of two
61 percent of the amount collected after receipt of such notice to cover possible refunds or
62 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of
63 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
64 municipality, the director of revenue shall remit the balance in the account to the municipality
65 and close the account. The director of revenue shall notify each county of each instance of any
66 amount refunded or any check redeemed from receipts due the municipality.

94.890. 1. The governing body of any municipality located in whole or in part within

2 any county of the first classification having a charter form of government and containing a
3 population of nine hundred thousand or more is hereby authorized to impose, by ordinance, a
4 one-half of one percent sales tax on all retail sales which are subject to taxation under the
5 provisions of sections 144.010 to 144.525, RSMo, for the purpose of funding capital
6 improvements, including the operation and maintenance of capital improvements.

7

8 The tax authorized by this section shall be in addition to any and all other sales taxes allowed by
9 law **and the total amount of all taxes imposed by a municipality pursuant to this section**
10 **that are not in effect on August 28, 2002, shall not exceed one-half of one percent.** The
11 ordinance shall become effective after the governing body of the municipality shall submit to the
12 voters of the municipality, a proposal to authorize the tax and, if such tax is to be used to retire
13 bonds to authorize such bonds and their retirement by such tax, to authorize the retirement of
14 debt under previously authorized bonded indebtedness.

15 2. The ballot of submission shall contain, but need not be limited to:

16 (1) If the proposal submitted involves only authorization to impose the tax, the following
17 language:

18 Shall the municipality of (municipality's name) impose a sales tax of one-half
19 of one percent for the purpose of funding capital improvements which may include the retirement
20 of debt under previously authorized bonded indebtedness?

21 G YES G NO

22

23 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
24 to the question, place an "X" in the box opposite "No"; or

25 (2) If the proposal submitted involves authorization to issue bonds and repay such bonds
26 with revenues from the tax authorized by this section, the following language:

27 Shall the municipality of (municipality's name) issue bonds in the amount of
28 (insert amount) to fund capital improvements and impose a sales tax of one-half of one
29 percent to repay such bonds?

30 G YES G NO

31

32 If you are in favor of the question, place an "X" in the box opposite "Yes". If you are opposed
33 to the question, place an "X" in box opposite "No".

34

35 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
36 of the proposal, then the ordinance shall be in effect; provided that any proposal submitted under
37 subdivision (2) of this subsection must be approved by the constitutionally required percentage

38 of the voters voting thereon. If a majority of the votes cast by the qualified voters voting are
39 opposed to the proposal, then the governing body of the municipality shall have no power to
40 issue any bonds or impose the sales tax authorized in this section unless and until the governing
41 body of the municipality shall again have submitted another such proposal and the proposal is
42 approved by the requisite majority of the qualified voters voting thereon. However, in no event
43 shall a proposal pursuant to this section be submitted to the voters sooner than twelve months
44 from the date of the last proposal submitted pursuant to this section.

45 3. No tax imposed pursuant to this section for the purpose of retiring bonds issued under
46 this section may be terminated until all of such bonds have been retired.

47 4. Within thirty days of the approval of a capital improvement sales tax pursuant to this
48 section and section 94.577, the governing body shall choose one of the following options:
49

50 OPTION 1
51

52 Eighty-five percent of the moneys generated within each municipality shall be retained in
53 subaccount #1 of the trust fund created in subsection 5 of this section and shall be returned to
54 that municipality as provided in subdivision (1) of subsection 5 of this section. Fifteen percent
55 of the moneys generated within each municipality shall be retained in subaccount #2 of the trust
56 fund created in, and allocated as provided in, subdivision (2) of subsection 5 of this section.
57

58 OPTION 2
59

60 One hundred percent of the moneys generated within each municipality shall be retained in
61 subaccount #2 of the trust fund created in, and allocated as provided in, subdivision (2) of
62 subsection 5 of this section.

63 5. The moneys shall be retained in two separate subaccounts in the "Municipal Capital
64 Improvement Sales Tax Fund" which is hereby created in the state treasury. The fund moneys
65 shall be distributed to each municipality as follows:

66 (1) For municipalities choosing Option 1, eighty-five percent of the taxes collected
67 within each municipality and retained in subaccount #1 of the trust fund shall be returned to each
68 municipality;

69 (2) For municipalities choosing Option 2, the moneys retained in subaccount #2 of the
70 trust fund shall be distributed to each municipality based on the percentage ratio that the
71 population of that municipality bears to the total population of all of the municipalities choosing
72 Option 2.

73 6. All revenue received by a municipality from the tax authorized under the provisions

74 of this section shall be deposited monthly in a special trust fund and shall be used solely for
75 capital improvements, including the operation and maintenance of capital improvements, for so
76 long as the tax shall remain in effect. Once the tax authorized by this section is abolished or is
77 terminated by any means, all funds remaining in the special trust fund required by this subsection
78 shall be used solely for the maintenance of the capital improvements made with revenues raised
79 by the tax authorized by this section. Any funds in the special trust fund required by this
80 subsection which are not needed for current expenditures may be invested by the governing body
81 in accordance with applicable laws relating to the investment of other municipal funds. The
82 provisions of this subsection shall apply only to taxes authorized by this section which have not
83 been imposed to retire bonds issued pursuant to this section.

84 7. All revenue received by a municipality which issues bonds under this section and
85 imposes the tax authorized by this section to retire such bonds shall be deposited in a special
86 trust fund and shall be used solely to retire such bonds, except to the extent that such funds are
87 required for the operation and maintenance of capital improvements. Once all of such bonds
88 have been retired, all funds remaining in the special trust fund required by this subsection shall
89 be used solely for the maintenance of the capital improvements made with the revenue received
90 as a result of the issuance of such bonds. Any funds in the special trust fund required by this
91 subsection which are not needed to meet current obligations under the bonds issued under this
92 section may be invested by the governing body in accordance with applicable laws relating to
93 the investment of other municipal funds. The provisions of this subsection shall apply only to
94 taxes authorized by this section which have been imposed to retire bonds issued under this
95 section.

96 8. After the effective date of any tax imposed under the provisions of this section, the
97 director of revenue shall perform all functions incident to the administration, collection,
98 enforcement, and operation of the tax in the same manner as provided in sections 94.500 to
99 [94.570] **94.550**, and the director of revenue shall collect in addition to the sales tax for the state
100 of Missouri the additional tax authorized under the authority of this section. The tax imposed
101 hereunder and the tax imposed under the sales tax law of the state of Missouri shall be collected
102 together and reported upon such forms and under such administrative rules and regulations as
103 may be prescribed by the director of revenue. Except as modified in this section, all provisions
104 of sections 32.085 and 32.087, RSMo, shall apply to the tax imposed under this section.

105 9. The director of revenue may authorize the state treasurer to make refunds from the
106 amounts in the trust fund and credited to any municipality for erroneous payments and
107 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
108 such municipalities. If any municipality abolishes the tax, the municipality shall notify the
109 director of revenue of the action at least ninety days prior to the effective date of the repeal and

110 the director of revenue may order retention in the trust fund, for a period of one year, of two
111 percent of the amount collected after receipt of such notice to cover possible refunds or
112 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of
113 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
114 municipality, the director of revenue shall remit the balance in the account to the municipality
115 and close the account of that municipality. The director of revenue shall notify each municipality
116 of each instance of any amount refunded or any check redeemed from receipts due the
117 municipality.

118 10. Any other provision of this chapter notwithstanding, any municipality in a charter
119 county, with a population of nine hundred thousand or more which adopted a capital
120 improvement sales tax before August 28, 1995, shall by ordinance select Option 1 or Option 2
121 within sixty days of August 28, 1995.